

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 28-920814 CSET

**CONTROLLED SUBSTANCE EXCISE TAX
FOR TAX PERIODS: 1992**

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ISSUE

1. CONTROLLED SUBSTANCE EXCISE TAX: IMPOSITION

Authority: IC 6-7-3-5

Taxpayer protests the assessment of Controlled Substance Excise Tax.

STATEMENT OF FACTS

Taxpayer was arrested for possession of marijuana. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on September 1, 1992 in a base tax amount of \$3,584,000.00. Taxpayer filed a protest to the assessment. A hearing on the protest was held on November 24, 1999. Further facts will be provided as necessary.

Controlled Substance Excise Tax-Imposition

Discussion

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana. Taxpayer has the burden of proving that the assessment is incorrect. Since Taxpayer did not offer any testimony or other evidence to contradict the assessment, the Department must rely on the contents of the file in making a decision on the matter. Therefore, the tax properly applies to Taxpayer in this situation.

Finding

Taxpayer's protest is denied.